

saying that we should. I have come to the Senator with a proposal to do that. That is not something, obviously, that he agrees to. That is fine. He is entitled to not support that. But I believe we ought to reform it. I think the way we reform it is do it in a reasonable way that doesn't cut it off tomorrow but, rather, phases it out.

I think that for the Senator from Oklahoma, to me, it is something that is a win for him as well. He gets what he wants. He gets the phaseout, plus \$1 billion in debt reduction, and if this thing goes to the end of the year, we get zero. We get goose-egged.

This thing expires at the end of the year. Whether it gets extended or not remains to be seen. But one thing we know with certainty is that I am putting a proposal on the table today that gets \$1 billion in reduction, that provides some certainty at least in phasing out the VEETC and also makes an investment in blender pumps, which is something that is very important to the future of the industry.

So I think it is a reasonable way to deal with this issue.

The Senator from Oklahoma and I have a disagreement, and that is probably not going to change. But I am offering what I think is a reasonable proposal that gets you where you want to end up and I think also is a way in which we can keep this industry from having the rug pulled out from under them after we made a commitment to them in December of last year.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. COBURN. Mr. President, let me make a couple of points.

When the Federal Government writes a tax credit, that means we take money from our Treasury, which is empty; therefore, we borrow it, and we write a check to people. When we have an "accelerated appreciation," what we do is allow people to pay less back in, a big difference.

How many of the ethanol refineries and blenders are not represented by this group? It is about 11 percent. They all reside in the upper Midwest. That is why there is such a resistance to it.

When I met with the representatives of the ethanol industry, the reason they don't want the credit to go away is because they are afraid that they won't be able to drive as hard a bargain with the large blenders of gasoline, that they will actually be able to determine what their grind cost is—in other words, what their true cost is.

The difference between what the Senator from Minnesota and the Senator from South Dakota offer is \$2 billion. That is the only difference. There is just denial and spend \$1 billion on

pumps and infrastructure—money we don't have—and mine is to say quit doing it because we are going to blend the ethanol anyway. That is the only difference in the two programs. One continues to subsidize noneconomic blenders, obviously, because they want it—a very small portion. But the vast majority of people are producing ethanol-blended gasoline. And they say: How did they ever get to the point in our country where the Federal Government is going to tell you that you have to buy a gasoline that is only 65 percent as efficient as the gasoline you were buying? And, oh, by the way, because it is only 65 percent efficient, it actually pollutes more. That is why in this list of people supporting this are all the environmental groups, because they know it is bad policy.

The reason I support a mandated level of ethanol is that until we have a cogent drilling policy in this country that says we are going to actually utilize our own resources, we need to keep ethanol. But what really ought to happen is we ought to let markets determine it. We will all be better off. We will have less government regulation, we will have less Tax Code expenditure and the markets will determine what the most efficient product is by what people will buy—what people will buy, what they want to buy. It is called freedom.

We have gotten ourselves in this mix where, actually, what people don't realize is we are down to only 47 percent of our oil coming into this country is coming from outside now. We have moved from 62 down to 47 percent, and the reason is because the oil and gas industry has actually gone out there and found an environmentally smart way to produce tons of gas liquids, which are easier to convert into fuel than anything—easier than oil, easier than any other product we have.

So the Senator didn't really answer why the people who are getting the money don't want it and yet we should continue sending it to them.

Ask yourself the question. We are broke, we are going to run a \$1.4 or \$1.5 or \$1.6 trillion deficit this year and here is a way to save \$3 billion, and the people we are going to send the money to—and borrow the money to be able to send it to them—don't want it. Yet they cannot answer why they do not want it. This represents 97 percent of all the blending in the country. They don't want the money and we are going to sit here as a body and continue to send them money they do not want? Go home and explain that to your constituents.

From which child are we going to take opportunity because we do not have the courage to do the smart

thing? We have a mandate. They have to blend it. They are making a ton of money.

One final point, and I will let the Senate staff go home. Every time you go home to buy a gallon of gasoline today, the price you pay at the pump is not the price you pay. If you look at all the subsidies that are going to ethanol, when you go look at that \$3.75—or that \$4 around here, \$3.50 in Oklahoma and Colorado—add \$1.72 per gallon to it because that is what you paid in terms of the government support for the ethanol program in terms of subsidies, \$1.72 a gallon. You buy it for \$3.50, add \$1.72, and you are paying \$5.22 a gallon. You just don't know that we have picked your pocket through the government expenditures. Out of your taxes you paid, we pay them \$1.72 per gallon. It makes no sense. What this does is eliminate 45 cents of that. It doesn't take it all away, the grants and the loans, the low-interest loans.

The other thing people do not recognize is most of the ethanol plants, even with this subsidy, have been bought out because they were not economical because they did not know how to run them. That is why most of them ended up with the large companies, because they did not know how to run them, they were not efficient, and now they are profitable even without the blenders credit.

It is a simple question: Do we save \$3 billion or save \$1 billion? I tell you, with what is in front of us as a Nation with our \$14.3 trillion debt, I am going to opt for the kids who follow us and the grandkids. I am going for the \$3 billion, not \$1 billion.

I yield the floor.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

The PRESIDING OFFICER. The Senate stands adjourned until 10 a.m. tomorrow.

Thereupon, the Senate, at 7:02 p.m., adjourned until Tuesday, June 14, 2011, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate:

FEDERAL DEPOSIT INSURANCE CORPORATION

MARTIN J. GRUENBERG, OF MARYLAND, TO BE CHAIRPERSON OF THE BOARD OF DIRECTORS OF THE FEDERAL DEPOSIT INSURANCE CORPORATION FOR A TERM OF FIVE YEARS, VICE SHEILA C. BAIR, RESIGNED.

MARTIN J. GRUENBERG, OF MARYLAND, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE FEDERAL DEPOSIT INSURANCE CORPORATION FOR A TERM EXPIRING DECEMBER 27, 2018. (REAPPOINTMENT)

ENVIRONMENTAL PROTECTION AGENCY

KENNETH J. KOPCIS, OF VIRGINIA, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY, VICE PETER SILVA SILVA, RESIGNED.